KANSAS RACING AND GAMING COMMISSION

MINUTES – MARCH 11, 2022

CALL TO ORDER (A.)

Chairman David Moses called the March 11, 2022, meeting to order at 9:35 a.m. The meeting was held via teleconference. Notice of this teleconference was given to the public via the KRGC and Public Square websites. Commissioners Brandon Jones, Larry Turnquist, Kelly Kultala, and Sheryl Spalding were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Security Roger Bailey, and other staff.

MOTION, APPROVE AGENDA (B.)

Commissioner Turnquist (Kultala) moved to approve the agenda. Motion carried 5-0.

MOTION, APPROVE February 11, 2022 MEETING MINUTES (C.) Commissioner Spalding (Turnquist) moved to approve the minutes of the February 11, 2022, meeting. Motion carried 5-0.

MOTION, APPROVE CONSENT AGENDA (D.)

Commissioner Jones (Spalding) moved to approve the consent agenda (five items). Motion carried 5-0.

LOTTERY GAMING FACILITY REPORTS/ITEMS; BOOT HILL CASINO & RESORT (E.1.a.) Ryan Deutsch, Assistant General Manager, reported:

- February 2022 revenue numbers compared to February 2021:
 - o Total gaming revenue up 23.93 %
 - o Total slot revenue up 27.39%
 - o Table games revenue down 1.13%
- Events and Promotions:
 - Weekly Kiosk Games
 - Weekly Food and Beverage Specials
 - o Gift Promotions
 - o Lucky Draw
 - o Blizzard of Winnings Money Machine
 - o VIP Promotions
 - o \$100,000 Lucky Draw
 - o Chris Janson February 12
 - o Valentine's Day Dinner February 14
 - o Harlem Globe Trotters February 14
 - o VIP Free Play Frenzy February 25 27
- Upcoming Entertainment & Events
 - o Marisela March 5

- o Fairy Tales on Ice, March 6
- o KSHSAA 1A State Basketball, March 9
- o Highway Men Live March 18
- o Gabriel "Fluffy" Iglesias, March 25
- o VIP Jackpot Party March 27
- o Clint Black April 29

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- Responsible Gambling Awareness Month
 - Added Social Media Posts
 - o Added Banner Image to Website
 - Made Regular Announcements on Gaming Floor
 - o Added Signage throughout facility
- Boot Hill Casino's COVID-19 precautions and the impact on staff and patrons

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(E.2.a.)

Jeff Babinski, Vice President and General Manager, reported:

- Admissions down 8.1% compared to February 2021
- February 2022 revenue numbers compared to February 2021:
 - o Total gross gaming revenue down 4.5%
 - o Slot coin-in down 7.4%
 - o Slot hold up 0.04 pts
 - o Table games drop up 24.1%
 - o Table games hold down 0.4 pts
- Past Events and Promotions:
 - o Maize Battle of the Belt February 5 & 6
 - o Prom of the Ages February 12
 - o Lee Brice February 26
 - o USA Wrestling March 5 & 6
- Upcoming Events and Promotions:
 - o Gin Blossoms April 2
 - o Boys II Men April 9
 - o Marauders Car Show April 30
- Kansas Star Casino's COVID-19 precautions and the impact on staff and patrons

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(E.3.a.)

Rick Skinner, Vice President & General Manager, reported:

- Admissions were up 20.5% compared to February 2021
- February 2022 revenue numbers compared to February 2021:
 - o Total gross gaming revenue up 31.2%
 - o Slot revenue up 29.8%

- o Table games revenue up 49.9%
- Recent/Upcoming Events and Promotions:
 - o Big Screen for the Big Game, February 12
 - o 10-Year Anniversary Celebration, February 19
 - o \$50K 2021 Winners Party, February 26
 - Table Games Madness Hot Seats March
 - o Hi Lo March 4
 - o Find the Pot of Gold March 5
 - o Find the Clover March 6
 - o 10 Year \$200K Drawing March 19
 - o \$700 Every 7 Minutes March 26
 - o Sporting KC \$200K Kick Picks
- Hollywood Casino's COVID-19 precautions and the impact on staff and patrons

LOTTERY GAMING FACILITY REPORTS/ITEMS; KANSAS CROSSING CASINO (E.4.a.)

Jeff McKain, General Manager, reported:

- Admissions up 24.5% compared to February 2020
- February 2022 revenue numbers compared to February 2021:
 - o Net slot revenue up 30.5%
 - o Coin in up 34.1%
 - o Table games drop up 47.1%
 - o Net gaming revenue up 52%
- Events and Promotions:
 - February
 - o Point Multiplier Kiosk games every Monday
 - o Promotional bonus entries every Tuesday
 - o Camp 49 Hot Seats and lunch specials every Wednesday
 - o Casino Hot Seats every Thursday
 - o Cash is King promotion, February 25th
 - o Casino Gift Day every Saturday
 - o Arch Allies concert February 26th
 - o Kiosk games on Sunday the 6th, 13th, and 20th.
 - March
 - o Point Multiplier every Tuesday
 - o Camp 49 Hot Seats and lunch specials every Wednesday
 - o Casino Hot Seats every Thursday
 - o Cash is King promotion, March 25th
 - o Deana Carter concert March 5th
 - o Casino Gift Day every Saturday
 - o Dave Finley concert March 26th

- o Kiosk games on Sunday the 6th, 13th, and 20th.
- Kansas Crossing Casino's COVID-19 precautions and the impact on staff and patrons

COMMISSION ITEMS – OLD BUSINESS (F.)

There was no old business.

COMMISSION ITEMS – NEW BUSINESS (G.) There was no new business.

PUBLIC COMMENTS (H.)

There were no public comments.

STAFF REPORTS (I.1. and I.2.)

Garrett Rogers, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of February 2021.

Todd Allen, Government Relations Manager, legislative report:

- KRGC budget has been heard in both houses, and both committees concurred with the Governor's recommendation.
- SB404 had a hearing February 16th. During the hearing, there was a debate about the provision of the bill allowing Sedgwick County a revote to allow for the operation of electronic gaming machines at a racetrack gaming facility, and also authorizing the operation of historical horse race machines by parimutuel licensees.
- A sports wagering bill was introduced to the House Federal and State Affairs committee on March 9th.

Executive Director Brownlee reported:

- Arkansas expanded their sports wagering law to allow online sports wagering. Their West Memphis casino was the first to offer this to the public.
- Peninsula Pacific will sell its assets to Churchill Downs. This
 will not affect the Kansas Crossing Casino as theirs is a
 management contract and not property assets. The assets
 being purchased include a horse racing track in Virginia, six
 historical horse racing venues in Virginia, a casino in New
 York, a casino in Iowa, and the rights to develop two casinos
 and seven additional horse racing venues in Virginia.

- The mask mandate for state buildings has been removed. This
 allows us to return to in-person commission meetings if the
 commissioners wish to. Chairman Moses asked if any
 commissioners were opposed to meeting in-person. No
 commissioners objected.
- The next Commission Meeting will be on April 15th, 2022.

MOTION, EXECUTIVE SESSION; CONFIDENTIAL BACKGROUND REPORTS (J.1.) Commissioner Kultala (Jones) moved that the Commission go into executive session for the purpose of reviewing confidential background reports presented today by the commission's security division. In addition to the commissioners, the confidential background reports portion will include the executive director, general counsel, and director of security. The total time for the executive session was anticipated to be ten (10) minutes until 10:25 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session via teleconference. The motion carried 5-0, and the meeting was adjourned to executive session at 10:15 a.m.

RECONVENE (J.2.)

The commission meeting returned to open session via teleconference at 10:25 a.m. with Chairman Moses, Commissioner Jones, Commissioner Turnquist, Commissioner Kultala, and Commissioner Spalding present.

MOTION, EXECUTIVE SESSION; ATTORNEY-CLIENT PRIVILEGE (J.3.) Commissioner Spalding (Turnquist) moved that the Commission go into executive session for the purpose of consulting with the agency's attorney on attorney-client privileged communications. In addition to the commissioners, the attorney-client privileged communications will include the executive director and general counsel. After discussion, the total time for the executive session was anticipated to be thirty (30) minutes until 11:00 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session via teleconference. The motion carried 5-0, and the meeting was adjourned to executive session at 10:30 a.m.

RECONVENE

(J.4.)

The commission meeting returned to open session via teleconference at 11:00 a.m. with Chairman Moses, Commissioner Jones, Commissioner

Turnquist, Commissioner Kultala, and Commissioner Spalding present.

MOTIONS ON LICENSE

APPLICATIONS

(K.1.)

Commissioner Turnquist (Kultala) moved to *deny one* license application, *conditionally approve one* license application, and *approve the remaining* 246 license applications from the March 11, 2022, list of background reports referred to the commission for action. The motion carried 5-0.

There were no other items for discussion or motion.

ADJOURNMENT

(L.)

Chairman Moses stated that the April 15, 2022, commission meeting will begin at 9:30 a.m. if by teleconference or at 10:00 a.m. if in person.

Commissioner Jones (Spalding) moved to adjourn the meeting. Motion passed 5-0. The meeting was adjourned at 11:05 a.m.

SUBMITTED BY:

Larry Turnquist

Secretary

APPROVED BY:

David Moses Chairman